

**MINUTES
of the
THIRD MEETING IN 2005
of the
WELFARE REFORM OVERSIGHT COMMITTEE**

**August 30, 2005
Christ Lutheran Church, Santa Fe, New Mexico
August 31, 2005
State Capitol, Santa Fe, New Mexico**

The third meeting in 2005 of the Welfare Reform Oversight Committee was called to order by Representative Luciano "Lucky" Varela, Vice Chair, on Tuesday, August 30, at 10:20 a.m. at Christ Lutheran Church in Santa Fe. All handouts are in the meeting file.

PRESENT

Sen. Linda M. Lopez, Chair
Rep. Luciano "Lucky" Varela, Vice Chair
Sen. Sue Wilson Beffort (8/30)
Rep. Kandy Cordova
Sen. Clinton D. Harden, Jr.
Sen. Steven P. Neville
Sen. Gerald Ortiz y Pino (8/30)
Sen. John Pinto
Rep. Nick L. Salazar
Rep. Gloria C. Vaughn

ABSENT

Rep. Irvin Harrison
Rep. Avon W. Wilson

Advisory Members

Rep. Ernest H. Chavez
Sen. Dianna J. Duran
Rep. Larry A. Larrañaga
Rep. Candy Spence Ezzell (8/31)
Sen. John C. Ryan
Rep. Edward C. Sandoval
Rep. Jim R. Trujillo

Sen. Ben D. Altamirano
Rep. Richard P. Cheney
Rep. Daniel R. Foley
Sen. James G. Taylor

(Attendance dates are noted for those members not present for the entire meeting.)

Staff

Jennie Lusk
Pamela Ray
Carrie McGovern

Guests

The guest list is in the meeting file.

Tuesday, August 30

STRENGTHENING YOUTH POLICY IN THE STATES

Elizabeth Gaines, program manager for the Forum for Youth Investment in Washington, D.C., introduced "Ready by 21", a national policy initiative designed to focus on enabling young people to become fully ready for work, college and adult life at the age of 21. Currently, she said, most 21-year-olds are not fully able to become self-sufficient. Instead, many young people have social, economic and educational deficits. Young people need psychological, physical and social supports—some of which should be provided by government—to become self-sufficient.

The initiative defines being "ready" as a young adult doing well in two life areas and adequately in another. The areas are: attending college or working steadily; having good health, healthy habits and healthy relationships; and volunteering, being politically active or being active in religious institutions and community.

Resiliency research has indicated that there is nothing "magic" in preparing young people for self-sufficiency, but that young people able to cope well with the demands of adult life have a complex set of skills and assets. The assets consistent in effective programs for young people promote: physical and psychological safety, appropriate structure, supportive relationships, opportunities to belong, positive social norms, a sense of "mattering", opportunities for skill-building and integration of family, school and community efforts.

Ms. Gaines, who is working in conjunction with the National Conference of State Legislatures (NCSL) to promote policies for young people that build readiness by age 21, encouraged legislators not only to broaden their goals so that treatment is available for high-risk young people, but also to consider prevention. She reported that 16 states currently have a children's cabinet, among them New Mexico, but that most children's cabinets include representatives of branches other than the executive.

Questions and comments from committee members included mention that some research indicates that the disadvantages of single parents working may include lack of preparation in young people, especially when children ages 11 to 14 are often left at home after school without constructive activities. Other inquiries included questions about percentages of special education students and appropriate education funding; best practices; and recommended after-school programs. Committee members mentioned that they do not know what programs exist for New Mexico students after school or which of the existing programs is working well. Ms. Gaines, on questioning by the legislators, acknowledged that funding for early childhood programs is critical, but emphasized that research indicates that brains are still developing through age 24 and youth are often neglected.

Legislators discussed the positive impact of using school buildings for after-school and other community programming and of doing good educational programming within juvenile facilities. They suggested adjusting statutory insurance coverages to enable schools and their related facilities to be open to community groups and expressed an interest in becoming more

involved with the Children's Cabinet.

The report from the New Mexico Children's Cabinet was postponed pending the cabinet's completion of a status report.

TYPICAL TANF CLIENT — Flow Chart and Discussion

Bill Dunbar, Office of Workforce Training and Development, and David Devitt, deputy director of the Income Support Division (ISD), Human Services Department (HSD), walked committee members through the services and systems a typical TANF client encounters. They were joined by field office employee Mark Shepherd, Marilyn Hill, Labor Department (LD) deputy secretary, and Katie Falls, director of ISD. Mr. Dunbar said that the Eastern Workforce Development Board is functioning better than ever despite a transfer of functions and that the central board has had only a minimal decrease in provision of services during the months of transition – 3/10 of one percent. He noted that legislative appointees for the transition's oversight committee have still not been made.

Mr. Devitt, who has attended federal reauthorization meetings for TANF, suggested that "universal engagement" will become the standard for all TANF clients. After reauthorization, it is unlikely that TANF clients will have 60 days before engaging in a work activity, as permitted under the New Mexico Works law. He reported that of the 2,640 TANF clients statewide who are not exempt from work, only 32 percent are currently meeting their work requirements.

Mr. Shepherd explained the flow chart included in the committee's handouts, noting critical deadlines and barriers and explaining that TANF clients sign a Work Participation Agreement that binds them to work in exchange for their benefits. Mr. Dunbar noted that there will be eight one-stop shops statewide, and that 30 counties will have versions of the comprehensive model discussed in the flow chart.

Committee members expressed interest in data sharing, in the differences between Workforce Investment Act and TANF programs.¹ Finally, committee members agreed that all agencies that deal with TANF recipients should share a commitment to working together to resolve client problems.

GOAL SETTING — A Working Session

Senator Lopez led the committee as both chair and facilitator in a session designed to help establish goals for the coming fiscal year. The chair emphasized the committee's oversight role over all welfare reform and suggested that the committee would be more effective by concentrating on performance measures and by educating itself about what programs are

¹ NOTE: Handouts on the differences between those two programs, brought by the Income Support Division for the July meeting but not circulated, are enclosed for the information of committee members.

working effectively for New Mexico's poorest people. The chair invited advocates Ruth Hoffman, Lutheran Office of Governmental Ministry, Kim Posich, New Mexico Center on Law and Poverty, and Kenneth Owen, New Mexico Legal Aid, to join the committee members along with the following agency representatives: Mr. Dunbar, Ms. Falls and Ms. Hill.

Advocates made informal statements prior to the goal-setting exercise. Ms. Hoffman said that New Mexico is not improving in getting people out of poverty but instead remains with Louisiana, Arkansas and Mississippi as among the poorest states. Between 25 percent and 35 percent of the population is poor in New Mexico, and the state is not making headway in reducing that percentage, she said, again stating that the federal poverty guidelines are outdated. Further, she reminded committee members that the reauthorization of TANF will almost certainly involve greater work requirements and higher participation rates. Mr. Owen commented that the flow chart previously discussed represented an ideal – not a reality – and noted agency computers automatically remove otherwise eligible TANF clients from the rolls if their Medicaid eligibility has expired, due to the recent change from a 12-month to a six-month eligibility period for Medicaid.² During such periods of ineligibility, the client receives no cash assistance. In addition, some clients believe that their eligibility denial is valid and do not double-check the rationale for the denial, thus relinquishing the cash assistance they deserve. He suggested the committee address systemic barriers to interagency cooperation. Mr. Posich identified two key difficulties for people in poverty as the conflict between the ISD and the legislature and the level of funding for case workers. He urged committee members to ensure that the ISD works well and to appropriate enough money to support the department in implementing welfare reform.

Committee members then individually offered up two goals each for welfare reform. Repetitions were tallied and the goals with the greatest numbers were selected as committee priorities. The top four goals were: increasing the effectiveness of the "one-stop shop" by improving interagency cooperation; measuring the success of clients going through the system; expanding funding for youth at-risk programs; and funding the ISD adequately. Finally, committee members were asked to list two barriers to achieving each of the goals. The results of both exercises are in the meeting file.

The meeting recessed at 4:13 p.m.

² Representative Trujillo informed the committee that the interim Legislative Health and Human Services Committee has voted to write Governor Richardson to request that he rescind the six-month rule and to return to a 12-month eligibility period. Other comments included a recommendation that the agency place clients rejected because of the six-month rule on "pending" status rather than rejecting them and a comment that the legislature was aware it underfunded Medicaid and required recertification every six months in part to reduce participation in the Medicaid program.

Wednesday, August 31

Senator Lopez reconvened the meeting at 10:12 a.m. in Room 307 of the State Capitol.

OVERCOMING BARRIERS TO WORK

Gregory Kepferle, executive director of Catholic Charities, discussed the work of his organization, a nonprofit that serves 11,000 persons, many of whom are TANF recipients. He made recommendations for legislative action, including the following:

- increase eligibility for child care to 200 percent of the federal poverty level;
- instruct the Children, Youth and Families Department (CYFD) to use the federal I-94 card used by refugee children who do not have social security numbers as an alternate form of identification;
- instruct the ISD to allow refugees to use a temporary ISD number as identification for Medicaid taxi services since refugees cannot get a social security number right away;
- require the LD and workforce training center employers to offer shuttles or organize carpool services for employees on weekends and evenings;
- encourage congressional representatives to increase federal Section 8 funding;
- ensure that the state's new Affordable Housing Trust Fund is available to leverage federal funds for housing for homeless and low-income families;
- continue funding domestic violence and substance abuse programs and ensure that coordinated efforts are made for prevention, treatment and recovery support;
- permit nonprofit adult basic education (ABE) and English as a second language (ESL) service providers to receive state contracts for ABE;
- allow ESL as a primary activity for TANF clients;
- allow for more time for basic education ESL and GED preparation before TANF clients must seek a work activity; and
- encourage increases in the minimum wage and universal access to health care.

Committee members expressed a desire to have a discussion of ABE at the next meeting. Ms. Hoffman encouraged members to call their congressional representatives to urge that Congress not eliminate education as a work activity.

FRESH START — CHILD SUPPORT PROGRAMS

Kathy Valdez, deputy director of the Child Support Enforcement Division, HSD, reviewed successes in the arrears management program (AMP) since the legislature authorized the HSD in 2004 to develop such a program. The program, through which interest on child support arrearages can be forgiven, is designed to increase reliable income flowing to children while increasing fairness to non-custodial parents.

Committee members asked for clarification on the issue of reciprocity of child support collection between states and were told that New Mexico cannot alter a legitimate court order from another state establishing a set child support payment. Members discussed the virtues of

eliminating interest on child support arrears in order to encourage timely payments. The fact that interest accrues prior to principal payments caused a good deal of concern.

Representative Varela stated that the department needs an ombudsman for resolving child-support-related problems. In addition, committee members expressed an interest in fixing the child support statutes to include a fine or penalty rather than interest on arrearages. Representative Varela will request the Legislative Finance Committee (LFC) to put child support on its radar screen and to examine the statute's interest provisions. Finally, during the year the governor has proclaimed as the year of the child, Representative Varela expressed his belief that it would be appropriate for the governor to provide a message on this legislation for the 2006 legislative session. Representative Varela called for a report on child support from the HSD looks at systemic problems (such as difficulty certifying a child care provider) to see whether there are systemic problems in the child care process. He asked that LFC contact CYFD about the problem.

APPROVAL OF MINUTES

The minutes of the July meeting were approved with one correction that discussion of the Education Works Program also occurred during the July meeting. Representative Varela moved approval, seconded by Representative Vaughn, and the motion passed unanimously.

THE VICE CHAIR REQUESTED THAT COMMITTEE MEMBERS GIVE THE CHAIR FEEDBACK ON THE SUMMARY CHART DISTRIBUTED AFTER MONDAY'S WORKING SESSION.

ADJOURNMENT

The meeting was adjourned at 1:20 p.m.

<p>NEXT MEETING: Wednesday and Thursday, September 21 and 22, 2005, State Capitol, Room 307</p>
